

# Amended Statement Cover

Amended pages reflect

- a change in the manner of reporting the \$10 million investment in subsidiary, MHIC
- the information originally repoprted on schedule BA - Part 1 was incorrect since it related to a company acquired in 2002. The information originally reported on Sched BA - Part 1 has been deleted.
- Sched E - Part 1 has been amended to remove cash equivelents which should not have been included.

HEALTH QUARTERLY STATEMENT

AS OF March 31, 2004

OF THE CONDITION AND AFFAIRS OF THE

MCARE INC.

NAIC Group Code	3414	3414	NAIC Company Code	95449	Employer's ID Number	38-2649504
	(Current Period)	(Prior Period)				
Organized under the Laws of	Michigan		State of Domicile or Port of Entry	Michigan		
Country of Domicile	United States of America					
Licensed as business type:	Life, Accident & Health[ ] Dental Service Corporation[ ] Other[ ]		Property/Casualty[ ] Vision Service Corporation[ ] Is HMO Federally Qualified? Yes[X] No[ ]		Hospital, Medical & Dental Service or Indemnity[ ] Health Maintenance Organization[X]	
Date Incorporated or Organized	01/01/1986		Date Commenced Business	10/01/1986		
Statutory Home Office	2301 Commonwealth Blvd.		Ann Arbor, MI 48105			
	(Street and Number)		(City, or Town, State and Zip Code)			
Main Administrative Office	2301 Commonwealth Blvd.					
	(Street and Number)					
	Ann Arbor, MI 48105		(734)747-8700			
	(City or Town, State and Zip Code)		(Area Code) (Telephone Number)			
Mail Address	2301 Commonwealth Blvd.		Ann Arbor, MI 48105			
	(Street and Number or P.O. Box)		(City, or Town, State and Zip Code)			
Primary Location of Books and Records	2301 Commonwealth					
	(Street and Number)					
	Ann Arbor, MI 48105		(734)747-8700			
	(City, or Town, State and Zip Code)		(Area Code) (Telephone Number)			
Internet Website Address	www.mcare.net					
Statutory Statement Contact	Elizabeth A. Bergin		(734)332-2623			
	(Name)		(Area Code)(Telephone Number)(Extension)			
	eabergin@mcare.med.umich.edu		(734)332-2177			
	(E-Mail Address)		(Fax Number)			
Policyowner Relations Contact	2301 Commonwealth Blvd.					
	(Street and Number)					
	Ann Arbor, MI 48105		(734)913-2211			
	(City, or Town, State and Zip Code)		(Area Code) (Telephone Number)(Extension)			

OFFICERS

Zelda Geyer-Sylvia, President  
Larry Warren, Secretary  
Douglas L. Strong, Treasurer  
Gregory A. Hawkins, Chief Financial Officer  
Robert P. Kelch M.D., Chairman

OTHERS

DIRECTORS OR TRUSTEES

Darrell A. Campbell Jr., M.D.  
Kyle L. Grazier PhD  
Robert P. Kelch M.D.  
Jean M. Malouin M.D.  
Timothy P. Slottow  
Larry Warren

Zelda Geyer-Sylvia  
Sally Joy  
Allen S. Lichter M.D  
Richard C. Petrocelli  
Douglas L. Strong  
Miriam M. Weininger

State of Michigan  
County of Washtenaw ss

The officers of this reporting entity, being duly sworn, each depose and say that they are the described officers of the said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manuals except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

(Signature)	(Signature)	(Signature)
Zelda Geyer-Sylvia	Larry Warren	Douglas L. Strong
(Printed Name)	(Printed Name)	(Printed Name)
President	Secretary	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this	a. Is this an original filing?	Yes[ ] No[X]
_____ day of _____, 2004	b. If no,	1
	1. State the amendment number	_____
	2. Date filed	8
	3. Number of pages attached	_____

\_\_\_\_\_  
(Notary Public Signature)

ASSETS

		Current Statement Date			4
		1	2	3	
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31, Prior Year Net Admitted Assets
1.	Bonds .....	17,212,154		17,212,154	23,934,199
2.	Stocks:				
2.1	Preferred stocks .....				
2.2	Common stocks .....	24,523,137		24,523,137	13,901,667
3.	Mortgage loans on real estate:				
3.1	First liens .....				
3.2	Other than first liens .....				
4.	Real estate:				
4.1	Properties occupied by the company (less \$..... encumbrances) .....				
4.2	Properties held for the production of income (less \$..... encumbrances) .....				
4.3	Properties held for sale (less \$..... encumbrances) .....				
5.	Cash (\$.....11,907,729), cash equivalents (\$....(14,736,479)) and short-term investments \$.....87,291,509) .....	84,462,761		84,462,761	90,197,722
6.	Contract loans (including \$..... premium notes) .....				
7.	Other invested assets .....	2,214,465		2,214,465	2,064,064
8.	Receivable for securities .....				
9.	Aggregate write-ins for invested assets .....				
10.	Subtotals, cash and invested assets (Lines 1 to 9) .....	128,412,517		128,412,517	130,097,652
11.	Investment income due and accrued .....	352,297		352,297	315,137
12.	Premiums and considerations:				
12.1	Uncollected premiums and agents' balances in the course of collection .....	4,998,708	47,646	4,951,062	2,462,788
12.2	Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$..... earned but unbilled premiums) .....				
12.3	Accrued retrospective premiums .....				
13.	Reinsurance:				
13.1	Amounts recoverable from reinsurers .....				
13.2	Funds held by or deposited with reinsured companies .....				
13.3	Other amounts receivable under reinsurance contracts .....				
14.	Amounts receivable relating to uninsured plans .....				
15.1	Current federal and foreign income tax recoverable and interest thereon .....				
15.2	Net deferred tax asset .....				
16.	Guaranty funds receivable or on deposit .....				
17.	Electronic data processing equipment and software .....	1,390,034	921,730	468,304	568,043
18.	Furniture and equipment, including health care delivery assets (\$.....) .....	229,699	229,699		
19.	Net adjustments in assets and liabilities due to foreign exchange rates .....				
20.	Receivables from parent, subsidiaries and affiliates .....				
21.	Health care (\$.....) and other amounts receivable .....				
22.	Other assets nonadmitted .....				
23.	Aggregate write-ins for other than invested assets .....	4,197,616	4,197,616		
24.	Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 10 to 23) .....	139,580,871	5,396,691	134,184,180	133,443,620
25.	From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
26.	TOTALS (Lines 24 and 25) .....	139,580,871	5,396,691	134,184,180	133,443,620
DETAILS OF WRITE-INS					
0901	.....				
0902	.....				
0903	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....				
0999.	TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above) .....				
2301.	Leasehold Improvements .....	822,129	822,129		
2302.	Prepaid Expenses .....	3,375,487	3,375,487		
2303	.....				
2398.	Summary of remaining write-ins for Line 23 from overflow page .....				
2399.	TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....	4,197,616	4,197,616		

CASH FLOW

		1 Current Year To Date	2 Prior Year Ended December 31
Cash from Operations			
1.	Premiums collected net of reinsurance .....	106,802,466	455,432,773
2.	Net investment income .....	263,462	2,115,684
3.	Miscellaneous income .....		
4.	Total (Lines 1 through 3) .....	107,065,928	457,548,457
5.	Benefit and loss related payments .....	103,882,054	428,679,601
6.	Net transfers to Separate, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	9,389,153	33,403,382
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) \$..... net of tax on capital gains (losses) .....		
10.	Total (Lines 5 through 9) .....	113,271,207	462,082,983
11.	Net cash from operations (Line 4 minus Line 10) .....	(6,205,278)	(4,534,526)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	7,066,647	19,874,528
12.2	Stocks .....		
12.3	Mortgage loans .....		
12.4	Real estate .....		
12.5	Other invested assets .....		
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments .....	(5,280)	(5,280)
12.7	Miscellaneous proceeds .....	3,453	257,758
12.8	Total investment proceeds (Lines 12.1 to 12.7) .....	7,064,820	20,127,007
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	57,831	20,637,345
13.2	Stocks .....	10,001,320	134,560
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		700,000
13.6	Miscellaneous applications .....	66,324	52,791
13.7	Total investments acquired (Lines 13.1 to 13.6) .....	10,125,475	21,524,696
14.	Net increase (or decrease) in policy loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 and 14) .....	(3,060,655)	(1,397,689)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	3,530,974	(857,922)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	3,530,974	(857,922)
RECONCILIATION OF CASH AND SHORT-TERM INVESTMENTS			
18.	Net change in cash and short-term investments (Lines 11 plus 15 plus 17) .....	(5,734,959)	(6,790,137)
19.	Cash and short-term investments:		
19.1	Beginning of year .....	90,197,722	96,987,859
19.2	End of period (Line 18 plus Line 19.1) .....	84,462,763	90,197,722

Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

Description		Amount 1	Amount 2
20.0001	.....		

GENERAL INTERROGATORIES

(Responses to these interrogatories should be based on changes that have occurred since the prior year end unless otherwise noted)

PART 1 - COMMON INTERROGATORIES  
GENERAL

- 1.1 Did the reporting entity implement any significant accounting policy changes which would require disclosure in the Notes to the Financial Statements?

Yes[ ] No[X]
- 1.2 If yes, explain:
- 2.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes[ ] No[X]
- 2.2 If yes, has the report been filed with the domiciliary state?

Yes[ ] No[ ] N/A[X]
- 3.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes[ ] No[X]
- 3.2 If yes, date of change:

If not previously filed, furnish herewith a certified copy of the instrument as amended.
4. Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes[X] No[ ]
- If yes, complete the Schedule Y - Part 1 - organization chart
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes[ ] No[X]
- 5.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
.....	.....	.....

6. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes[ ] No[ ] N/A[X]

If yes, attach an explanation.
- 7.1 State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2000
- 7.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

08/30/2001
- 7.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

08/30/2001
- 7.4 By what department or departments?
- 8.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? (You need not report an action, either formal or informal, if a confidentiality clause is part of the agreement.)

Yes[ ] No[X]
- 8.2 If yes, give full information
- 9.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes[ ] No[X]
- 9.2 If response to 9.1 is yes, please identify the name of the bank holding company.
- 9.3 Is the company affiliated with one or more banks, thrifts or securities firms?

Yes[ ] No[X]
- 9.4 If response to 9.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Office of Thrift Supervision (OTS), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6	7
Affiliate Name	Location (City, State)	FRB	OCC	OTS	FDIC	SEC
.....	.....	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]	. Yes[ ] No[X]

INVESTMENT

- 10.1 Has there been any changes in the reporting entity's own preferred or common stock?

Yes[ ] No[X]
- 10.2 If yes, explain:
- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....
13. Amount of real estate and mortgages held in short-term investments:

\$.....
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes[X] No[ ]
- 14.2 If yes, please complete the following:

**GENERAL INTERROGATORIES (Continued)**

		1	2
		Prior Year-End Statement Value	Current Quarter Statement Value
14.21	Bonds .....	.....	.....
14.22	Preferred Stock .....	.....	.....
14.23	Common Stock .....	.....	10,209,215
14.24	Short-Term Investments .....	.....	.....
14.25	Mortgages, Loans or Real Estate .....	.....	.....
14.26	All Other .....	2,064,064	2,214,465
14.27	Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	2,064,064	12,423,680
14.28	Total Investment in Parent included in Lines 14.21 to 14.26 above .....	.....	.....
14.29	Receivable from Parent not included in Lines 14.21 to 14.26 above .....	.....	.....

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes[ ] No[X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?  
If no, attach a description with this statement.

Yes[ ] No[ ] N/A[X]
16. Excluding items in Schedule E, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Part 1 - General, Section IV, H-Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?

Yes[ ] No[X]
- 16.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1	2
Name of Custodian(s)	Custodian Address
JP Morgan Trust Company National Association .....	2001 Bryan Street / 10th Floor, Dallas, TX 75201 .....
Mellon Trust .....	135 Santilli Highway, Everett, MA 02149-1950 .....

- 16.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1	2	3
Name(s)	Location(s)	Complete Explanation(s)
M-Care Inc. ....	2301 Commonwealth, Ann Arbor, MI 48105 .....	MCare holds 10,000000 shares of common stock in MH .....

- 16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes[ ] No[X]
- 16.4 If yes, give full and complete information relating thereto:

1	2	3	4
Old Custodian	New Custodian	Date of Change	Reason
.....	.....	.....	.....

- 16.5 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1	2	3
Central Registration Depository	Name(s)	Address
.....	.....	.....

**SCHEDULE A - VERIFICATION**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....		
2.	Increase (decrease) by adjustment .....		
3.	Cost of acquired .....		
4.	Cost of additions to and permanent improvements .....		
5.	Total profit (loss) on sales .....		
6.	Increase (decrease) by foreign exchange adjustment .....		
7.	Amount received on sales .....		
8.	Book/adjusted carrying value at end of current period .....		
9.	Total valuation allowance .....		
10.	Subtotal (Lines 8 plus 9) .....		
11.	Total nonadmitted amounts .....		
12.	Statement value, current period (Page 2, real estate lines, Net Admitted Assets column) .....		

**SCHEDULE B - VERIFICATION**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest on mortgages owned, December 31 of prior year ...		
2.	Amount loaned during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		
3.	Accrual of discount and mortgage interest points and commitment fees .....		
4.	Increase (decrease) by adjustment .....		
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book value/recorded investment excluding accrued interest on mortgages owned at end of current period .....		
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....		
12.	Total nonadmitted amounts .....		
13.	Statement value of mortgages owned at end of current period (Page 2, mortgage lines, Net Admitted Assets column) .....		

**SCHEDULE BA - VERIFICATION**  
**Other Invested Assets Included in Schedule BA**

		1	2
Description		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of long-term invested assets owned, December 31 of prior year .....	2,064,064	1,048,319
2.	Cost of acquisitions during period:		
2.1	Actual cost at time of acquisitions .....		
2.2	Additional investment made after acquisitions .....		700,000
3.	Accrual of discount .....		
4.	Increase (decrease) by adjustment .....	150,401	315,745
5.	Total profit (loss) on sale .....		
6.	Amounts paid on account or in full during the period .....		
7.	Amortization of premium .....		
8.	Increase (decrease) by foreign exchange adjustment .....		
9.	Book/adjusted carrying value of long-term invested assets at end of current period .....	2,214,465	2,064,064
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....	2,214,465	2,064,064
12.	Total nonadmitted amounts .....		
13.	Statement value of long-term invested assets at end of current period (Page 2, Line 7, Column 3) .....	2,214,465	2,064,064

**SCHEDULE D - VERIFICATION**

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	37,835,866	33,959,168
2.	Cost of bonds and stocks acquired .....	10,059,152	20,771,905
3.	Accrual of discount .....		
4.	Increase (decrease) by adjustment .....	906,921	3,057,317
5.	Increase (decrease) by foreign exchange adjustment .....		
6.	Total profit (loss) on disposal .....		(77,996)
7.	Consideration for bonds and stocks disposed of .....	7,066,647	19,874,528
8.	Amortization of premium .....		
9.	Book/adjusted carrying value, current period .....	41,735,291	37,835,866
10.	Total valuation allowance .....		
11.	Subtotal (Lines 9 plus 10) .....	41,735,291	37,835,866
12.	Total nonadmitted amounts .....		
13.	Statement value .....	41,735,291	37,835,866

**SCHEDULE D - PART 3**

Show All Long-Term Bonds and Stock Acquired by the Company During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Governments</b>									
681937512 .....	One Group Treasury Only .....		01/01/2004 .....	JP Morgan Trust Company .....	X X X ..	8,823	8,823.00		1 .....
681937512 .....	One Group Treasury Only .....		02/01/2004 .....	JP Morgan Trust Company .....	X X X ..	16	16.00		1 .....
681937512 .....	One Group Treasury Only .....		03/01/2004 .....	JP Morgan Trust Company .....	X X X ..	17	17.00		1 .....
0399999 Subtotal - Bonds - U.S. Governments .....					X X X ..	8,856	8,856.00		X X X ..
<b>Bonds - Industrial and Miscellaneous</b>									
704329200 .....	Payden & Rygel Inv Group Short .....		02/01/2004 .....	Mellon Bank .....	X X X ..	29,415	2,867.00		1PE .....
704329200 .....	Payden & Rygel Inv Group Short .....		03/01/2004 .....	Mellon Bank .....	X X X ..	19,561	1,899.00		1PE .....
4599999 Subtotal - Bonds - Industrial and Miscellaneous .....					X X X ..	48,976	4,766.00		X X X ..
6099997 Subtotal - Bonds - Part 3 .....					X X X ..	57,832	13,622.00		X X X ..
6099998 Summary Item for Bonds Bought and Sold This Quarter .....					X X X ..				X X X ..
6099999 Subtotal - Bonds .....					X X X ..	57,832	13,622.00		X X X ..
6599998 Summary Item for Preferred Stock Bought and Sold This Quarter .....					X X X ..		X X X ..		X X X ..
<b>Common Stock - Industrial and Miscellaneous</b>									
202681508 .....	CIF Core Equity Fund .....		01/01/2004 .....	Mellon Bank .....		1,320	X X X ..		PE .....
	MHIC .....		01/01/2004 .....	Mellon Bank .....		10,000,000	X X X ..		1z .....
6899999 Subtotal - Common Stock - Industrial and Miscellaneous .....					X X X ..	10,001,320	X X X ..		X X X ..
7299997 Subtotal - Common Stock - Part 3 .....					X X X ..	10,001,320	X X X ..		X X X ..
7299998 Summary Item for Common Stock Bought and Sold This Quarter .....					X X X ..		X X X ..		X X X ..
7299999 Subtotal - Common Stock .....					X X X ..	10,001,320	X X X ..		X X X ..
7399999 Subtotal - Preferred and Common Stock .....					X X X ..	10,001,320	X X X ..		X X X ..
7499999 Total - Bonds, Preferred and Common Stock .....					X X X ..	10,059,152	X X X ..		X X X ..

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues .....



**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances										
1			2	3	4	5	Book Balance at End of Each Month			9
							During Current Quarter			
					Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	6	7	8	
Depository			Code	Rate of Interest			First Month	Second Month	Third Month	*
open depositories										
Bank One .....	Dearborn, MI .....						(7,555,422)	(5,098,100)	(7,746,470)	. X X X .
MCARE Cash Outside UIP .....	Ann Arbor, MI .....						.. 9,954,905	(9,954,905)	(7,800,000)	. X X X .
Mellon Trust, Demand Depositi										
Account .....	2004 .....						.... 862,650	.. 1,533,360	.... 809,992	. X X X .
0199998 Deposits in .....			depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories ..			. X X X .	... X X X ..			. X X X .
0199999 Totals - Open Depositories .....			. X X X .	... X X X ..			.. 3,262,133	(13,519,645)	(14,736,479)	. X X X .
0299998 Deposits in .....			depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....			. X X X .	... X X X ..			. X X X .
0299999 Totals - Suspended Depositories .....			. X X X .	... X X X ..						. X X X .
0399999 Total Cash On Deposit .....			. X X X .	... X X X ..			.. 3,262,133	(13,519,645)	(14,736,479)	. X X X .
0499999 Cash in Company's Office .....			. X X X .	... X X X ..	. X X X .	. X X X .				. X X X .
0599999 Total Cash .....			. X X X .	... X X X ..			.. 3,262,133	(13,519,645)	(14,736,479)	. X X X .